

*A Study and Recommendation on Broadening the Age Demographics
and Increasing the Youth Fan Base at the Indianapolis Motor Speedway*

An Honors Thesis (HONR 499)

by:

Hollie Puckett

Thesis Advisor

Dr. Stacey Schetzle

A handwritten signature in black ink, reading "Stacey Schetzle". The signature is written in a cursive, flowing style with a large initial 'S'.

Ball State University

Muncie, IN

March 2014

Expected Date of Graduation

May 2014

Undergrad
Thesis
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ABSTRACT

Since its beginning in 1909, the Indianapolis Motor Speedway (IMS) has developed a legacy for itself in the world of racing and motorsports. Despite the IMS's current and past success, they could potentially face obstacles in the near future due to the aging demographics of their fan base, likely resulting in a decline in ticket sales. The majority of the IMS's fans are made up of the older generations, and in order for the IMS to maintain relevance and continue their legacy, they must begin to consider ways to better relate to and engage the younger generations. In this study, I analyze the IMS's current situation and develop a marketing plan proposal for the IMS to implement in hopes of increasing awareness and engagement among youth age 4-34, therefore increasing ticket sales in younger fans and creating longevity for the company.

ACKNOWLEDGEMENTS

I would like to thank Dr. Stacey Schetzle for her willingness to be my advisor throughout this project, as well as Dr. Emert for his assistance throughout the process. I would also like to thank my supervisors and coworkers at the Indianapolis Motor Speedway for giving me the opportunity to begin this project in the summer of 2013 and for their help and advice along the way. This project would not have been possible without the help of these individuals, and I am very grateful for their assistance and guidance.

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AUTHOR'S STATEMENT

This past summer, I had the privilege of interning at the Indianapolis Motor Speedway in their Marketing department, and this thesis is based off of a research project that I was assigned there in regards to the track's current fan demographics and attracting the younger generations of fans. This research turned out to be more interesting and in-depth than I imagined, so I decided to use this opportunity to expand on this project and further address the issue in my thesis by better explaining the root of the problem and coming up with a specific action plan for developing a youth program to be implemented at the IMS for years 2014-2016. Although I could have constricted the proposal to one narrow and specific age group, my supervisors at the IMS gave me some guidelines to follow and were specifically interested in four segmented age groups of "youth" age 34 and below, so I felt it was necessary and beneficial to include this entire group of people in my research. I feel that in order to fully address the issue, it is important that an action plan is formed involving the entire spectrum of the younger generations. The IMS executives and directors are my direct target audience for this project, and it is my hope to give them solid advice on how to address the problems they are facing. Ultimately, the IMS executives and Marketing department will have the ability to decide whether or not to take my recommendations and implement them.

EXECUTIVE SUMMARY

The state of Indiana has a few claims to fame-- corn, basketball, Purdue/IU rivalries, unbearably cold winters-- but perhaps the most historic and treasured Indiana gem is the Indianapolis Motor Speedway, located in Speedway, Indiana, a suburb of Indianapolis whose namesake was taken, not surprisingly, from the "ultra-famous landmark within its boundaries" (*Speedway Indiana* 2014). The Indianapolis Motor Speedway got its start in 1909 and has since "prevailed as an icon of motorsports excellence" (*Indianapolis Motor Speedway* 2014). The IMS has not only become a legend in motorsports, but it has set the standard for the sports industry in general. People around the globe are familiar with the Indianapolis Motor Speedway, and although the IMS is most known for the "Greatest Spectacle in Racing," the Indianapolis 500, the track is also host to three other major racing series-- the Brickyard 400 (NASCAR Spring Cup Series), the Red Bull Indianapolis GP (MotoGP World Championship), and the most recent addition to the facility's event lineup, the Grand Prix of Indianapolis. Although the Indianapolis Motor Speedway has seen tremendous success in the past century and has proven themselves to be the "world's largest spectator sporting facility," there is one issue in particular that could become very problematic for the IMS in the near future-- the aging demographics of the majority of their fan base (*Indianapolis Motor Speedway* 2014).

One way to address this demographic problem is to develop a youth program at the IMS for 2014-2016. An action plan has been created to better engage the younger fans ages 4 to 34. For this project, "youth" has been separated into four different age groups and strategies have been created for each: 4-6 year olds, 7-12 year olds, 13-18 year olds, and 19-34 year olds. Some of these strategies could be long-term projects, but if the IMS is committed and dedicated to developing this youth program they will likely see improvement in engaging a younger demographic of fans, ultimately resulting in more ticket sales and longevity for the company.

This marketing plan outlines key marketing strategies and specific tactics that the IMS can implement. The results of these programs may not be immediately noticeable, but the long-term goal is to create programs and experiences for the “youth” that will eventually develop them into lifelong race fans and ticket-holders at the IMS, therefore increasing sales and revenue. Estimated budgets have been created for each strategy, and depending on if the IMS decides to go through with these ideas, they will be able to dig further into the exact costs.

SITUATION ANALYSIS

THE PROBLEM

The IMS is well known for hosting the largest and second largest single-day sporting events in the entire world-- the Indy 500 and the Brickyard 400, respectively. Despite this success, however, race fans are part of a shrinking segment of people in the world. According to data that the IMS has collected, the average race fan that attends events at the track is 54 years old. The IndyCar league prides themselves in the fact that the majority of their fans are “well-educated adults with greater discretionary income” than normal (James 2010). As of 2010, statistics showed that nearly 72% of their fans are over the age of 35, and 31% alone are over the age of 55 (James 2010). 67% of fans are male, and with “an average household income of \$120,237, Indy 500 race day ticket holders are more well-off than the average NFL, NBA, NHL, or MLB season ticket holders” (James 2010). NASCAR is fairly gender neutral- “60% male and 40% female”- but they are particularly notorious for their “middle class” older fan base (NASCAR Fan Base Demographics 2009). They are almost “two times more likely to be over 45 than under 29” and are “twice as likely to live in rural areas of the South or Midwest” (Dick 2013).

Although IndyCar and NASCAR fans differ from each other in many ways (including income levels, lifestyle, etc.), the most evident and problematic commonality amongst the two groups is the older age of the fans. The Baby Boomers who grew up as race fans will soon be dwindling off, which will likely affect the IMS in a negative way, resulting in a decline in ticket sales. “To maintain relevance, let alone spur growth,” the IMS may need to “completely reinvent their image and culture” by attracting new segments of fans, but this poses several challenges-- how to attract new segments of people to this sport that may currently be of little interest to them and how to implement changes to attract newer/younger crowds without offending or angering the current loyal fans (Dick 2013). They need to determine what is causing the gap between these generations-- the older generations grew up coming to the races year after year and have made their experience at the IMS a tradition, but for some reason, the younger generations do not seem as interested in racing. If the IMS does not do something soon to improve demographics, things are only going to get worse. They can either continue down this downward spiral and “drift further into the margins,” or they can implement changes to improve the issue (Dick 2013). Two years ago, NASCAR recognized this problem amongst their fan base and started to focus their efforts more on “increasing engagement among children and college-age consumers,” and this is exactly what the IMS needs to be on-board with and focus on if they want to continue to bring in fans and maintain their current status as the #1 “Racing Capital of the World” (Dick 2013). It is apparent that the IMS needs to reinvent their image, culture, and programs a bit in order to “maintain relevance”

with the younger crowds, but this is a big risk for them and will not be an easy task by any means (Dick 2013).

CURRENT MARKETING EFFORTS

It should not go unnoticed that the IMS already has put forth some effort into attracting a younger demographic of fans. The following are programs or promotions that the IMS has done in the past or is currently doing:

FOR KIDS

- Kids Club-- club for children age 12 and under; \$25 per year membership fee; includes free goodies and t-shirt, free admission to practice and qualification days, free admission to race day as long as they are accompanied by an adult with a General Admission ticket, and access to various events and activities throughout the year (driver autograph sessions, Halloween event, Christmas party, etc.)
- Easter Egg Hunt-- event open to the public to show the community how fun the track is and to promote the Kids Club
- Mascots-- Axel and Ally
- Partnership with the Children's Museum-- Hot Wheels exhibit at the museum
- Partnership with Mattel
- Partnership with Radio Disney
- Kid Zone-- "kid-friendly" area for kids and families to hang out in while they are at the track; booths and activities from Radio Disney, Claire's, NFL, video games, face painting, etc.
- 4th Grade Education Program-- offers a variety of lessons and projects related to racing and gives students the unique opportunity to visit the IMS for field trips during April and May
- All kids 12 and under are ALWAYS free if accompanied by an adult with a General Admission ticket

FOR FAMILIES

- Family Pack-- 4 reserved seats for \$99; package also includes 4 hot dogs and 4 drinks; package deal incentive for families to go to the race together

FOR COLLEGE STUDENTS

- Snake Pit-- party area at the Indy 500 with live music, games, food, and other activities that most college students enjoy
- Snake Pit Tour-- promotions at bars and venues in college towns to advertise the Snake Pit and give away free wristbands, goodies, and VIP passes; conducted by the IMS Street Team (brand ambassador interns)
- \$75 Package for all 3 races (Indy 500, Brickyard 400, and MotoGP)
- IUPUI JagTag-- students can use the extra money they have on their JagTag school ID card to purchase General Admission tickets to Carb Day and Race Day, the Brickyard 400, and the

MotoGP; 2012 was the first year for this program, and it needs to be better promoted for effectiveness

GOAL

The IMS is a place of “tradition immersed in emotion,” and it is a never-ending challenge to capture and translate that emotion to people of many different age groups, backgrounds, and lifestyles (Slack 2011). Obviously, things have changed greatly since the IMS’s beginning-- innovations in technology, changes in lifestyles, etc.-- but the IMS has never failed to “leave its competitors in the dust,” and they are continually adapting their marketing strategies in order to stay up-to-date with what their fans want (Slack 2011). “The IMS wants to continue its legacy” and success “into and beyond the new century,” and for this to happen, they are going to have to change and adapt certain programs and strategies to better captivate and engage the next generation of fans (Slack 2011).

The ultimate goal of this project is to increase ticket sales in younger fans, creating longevity for the company. To achieve this ultimate goal, the following objectives have been set and will be used to measure the success of this marketing plan:

- Develop programs and experiences that engage youth and create and raise awareness of the IMS among target customers in the area (Indianapolis and other surrounding cities in Indiana)
- Increase the number of new customers/first-time fans by 10% each year
- Create a shift in demographics-- increase the number of families attending the races and the number of attendees between the ages of 4-34 by 25% by the end of the 2016 race season
- Increase Kids Club memberships by 15% each year
- Increase parents’ and youth’s overall satisfaction with their experience at the IMS (according to surveys and customer feedback)

PROCESS

The project launched on May 15th, 2013 in an advisory group meeting with various members of the Indianapolis youth-community to brainstorm strategies. This external group consisted of influential individuals from youth and community-oriented organizations such as The Children’s Museum, Indy Hub, Visit Indy, Radio Disney, and NASA, and many ideas were generated in regards to developing this program. Since then, the IMS has met several times internally with various staff from the Marketing, PR, Tickets, Sales, and Creative teams. After brainstorming within this internal group and comparing the discussion to the points brought up in the external meeting, a list was developed of different points that the IMS should consider when developing this marketing strategy:

- Year Round Facility Use
 - Different promotions and events throughout the year are necessary in order to always keep the IMS at the front of fans’ minds, not just in May. The track has potential to be utilized in so many unique ways when racing season is not going on, so the IMS should take advantage of the space it has and create more activities and experiences out on the track that will stick with people.

- Short Attention Spans
 - Children have short attention spans and aren't always interested or informed about racing. The IMS needs to incorporate fun activities that kids already love to attract and draw them in and entertain them while they are here. If the IMS can get a child to attend a race one time, they might turn into a fan for life. Yes, for now it is not really about the race for them, but they will slowly learn to follow the sport and their favorite driver.
- Segment Youth Marketing
 - The needs of young families are different than young professionals, so it can be difficult to specifically target each group effectively. It is difficult to market to and make the track appealing to both kids and adults at the same time. However, there is enough space and real estate available to create interactive "family-friendly" areas as well as designated areas for young adults, so the IMS needs to find opportunities to make this happen.
- Build Experience and Create Race Fans
 - The IMS is more than just racing or the Indy 500-- it is an overall "experience," and this concept needs to be stressed more. Coming to the track is all about building a tradition. If kids, families, and young adults visit the track even just one time, then it might become a tradition they continue every year.

The internal advisory group then split into smaller teams to brainstorm strategies that the IMS could develop and implement for each specific age group. After considering the input from both the external and internal groups, specific marketing strategies with estimated budgets have been decided on for each different age group from 4-34, and carrying through with these strategies are the first steps in attaining a younger demographic of fans for the IMS.

DETAILED STRATEGIES

4-6 YR.-- "Imagination Racers"

Overarching Strategic Position: The goal is to create experiences for kids to feel like racecar drivers. This age group does not have very long attention spans, and many of them are not likely interested yet in racing. They do, however, love imaginative play, so if the IMS incorporates memorable and fun activities that they already love, they will remember their experience here and will hopefully beg their parents to bring them back to future events at the IMS. Attracting kids to racing is more difficult than attracting them to sports that they are exposed to everyday like basketball and football. They are often interested in these "mainstream" sports because they play the sports themselves and truly understand what is going on. Getting kids to race like they play other sports is a hard problem to solve, given that racing is expensive and not every town has a racetrack. Therefore, the IMS needs to give kids these types of experiences that actually expose them to racing and will excite them about the sport.

Initial Ideas:

4-6 YR (Hot Wheels Kids)	<ul style="list-style-type: none">• Get them to feel like race car drivers-- kids love imaginative play• Promote kids 12 & under free• Focus on bringing them to opening & practice weekends• Expanded Kids Zone
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Ideas Developed:

DRIVING EXPERIENCE:

Purpose: To give kids the thrilling experience of pretending to be a racecar driver. This allows them to emulate their favorite racecar drivers and is a memorable experience that will stick with them.

Details: To create this driving experience, the IMS needs to invest in a large inflatable track and at least four miniature vehicles for the kids to drive. This “driving experience” can be placed in the Kids Zone, and the kids can race each other around the track, pretending that they are racecar drivers. This activity could potentially be seen as a liability, so there will need to be IMS employees facilitating this “driving experience” and making sure that the kids’ parents fill out consent forms. This is a great photo opportunity and experience for parents to share with their kids, and if they tweet or post pictures of their children having fun at the track, it will be good exposure and advertising for all of the fun kid-friendly activities that the IMS has to offer. Purchasing the track and vehicles will be somewhat of an investment, but if there is enough space and capabilities of transporting the track, this driving experience is also something that the IMS Street Team can take with them to various promotional events.

Budget:

- Inflatable Track-- \$3,000
- Vehicles-- \$700 per vehicle X 4 vehicles= \$2,800
- Trailer for Transport and Storage-- \$2,500
- Helmets-- \$500
- Maintenance-- \$1,000 per year

REMOTE CONTROL CARS:

Purpose: Similar to the driving experience, the IMS should give kids a hands-on experience that is racing related and will also be memorable to them. Remote control cars may not be as thrilling as actually driving a car, but they are fun for any age group and are slightly more portable.

Details: This remote control car track is an element that can be added to the Kids Zone, and it can also be taken to different promotional events.

Budget:

- Track-- \$2,000
- Trailer for Transport and Storage-- \$2,500
- Equipment-- \$500
- Maintenance-- \$500 per year

EXPANDED KIDS ZONE/PLAYGROUND:

Purpose: Although the IMS already has a Kids Zone, it is proposed to expand on this by creating a permanent family/kids area in Turn 2. This expanded Kids Zone would create an established family-friendly area that parents know about and can return to year after year. Families and kids can have fun and watch the race, all while in an environment that is appropriate for children. Sometimes it is difficult to convince parents to bring their kids to the track because of the heat, the noise, and the things that may not be appropriate for them to see (partying in the Snake Pit, drunk people, smoking in the stands, etc.). Creating this family-friendly environment is one way to overcome this barrier and to make the track a place parents want to bring their kids.

Details: This permanent Kids Zone would be built on the inside of Turn 2. In addition to the activities that are usually in the Kids Zone (racing simulators, Radio Disney, etc.), it is suggested to build a playground. The playground would attract more people to the Kids Zone and is a permanent structure that could be utilized during events even in the off-season. In order to keep costs down, the IMS could partner with another organization to sponsor the playground. A suggestion for a partnership is to team up with Riley Hospital to build this playground structure. The IMS could launch a “Grand Opening” of the playground once it is completed and invite Riley patients that are well enough to travel to test it out. This playground will be a costly investment at first, but it sends a very powerful message. Building a permanent place for kids to play shows that the IMS is committing to them long term and that the IMS actually cares about enhancing the experiences they have here. If not one large playground, the IMS could build ten smaller playgrounds around the infield of the track in areas like Turn 1, Turn 4, and the Museum. Another suggestion is to add family parking outside of Turn 2 so that it is more convenient for families to park and walk straight over to the designated family area. See Appendix 1 for unique examples of Kids Zones at other sporting/entertainment facilities that are similar to these ideas.

Budget: Based on estimates from the IMS Facilities department, the playground structure would have high initial costs of \$50,000+, depending on location inputs and construction. It will be a high capital expense, but there will be few costs after it is initially built.

Estimated Total Budget for all 4-6 YR. activities: \$65,300

7-12 YR.-- “Emerging Racing Minds”

Overarching Strategic Position: This age group spends the majority of their time in school, so the main focus is bringing the “IMS experience” to them in the schools and educating them in various ways about

the track, the races, and the activities here that they can enjoy and participate in. Most kids have probably not been exposed much to racing, so giving them free tickets and hosting kid-friendly events at the track, like concerts, will expose them more to the IMS and give them more of an opportunity to become familiar with the sport.

Initial Ideas:

7-12 YR (Gamers)	<ul style="list-style-type: none">• Partner with schools• Create an app/program/website with “How-to” guide for each age group and with fun games or a scavenger hunt• Kid Concerts• Engage & involve the kids on field trips• Youth sports outreach
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Ideas Developed:

PARTNER WITH SCHOOLS:

Purpose: To bring a unique and exciting IMS experience to the schools. This age group spends most of their time at school, and there are so many opportunities to reach out to them through this outlet.

Details: The big idea is to create an IMS “Road Show” to present at schools in Indiana. Most schools would probably be very receptive of this idea, especially if the show was interactive for the kids. Each show would be presented by a few members of the IMS Street Team, would be approximately 45 minutes long, and would consist of a video/cartoon related to racing or the IMS, a visual car for them to look at and touch, and driver appearances if possible. Another idea to add to this show is having the teachers race each other in mini racecars. At this age, most kids love and look up to their teachers and would get excited about cheering them on while they race each other. An extra perk would be having some sort of premium item to give away at each “Road Show.” To add to the partnership with the schools, the IMS could give out ticket vouchers as prizes to students who have achieved something significant at school such as perfect attendance or honor roll. Although admission to the track is already free for kids twelve and under, they can’t go anywhere without their parents, so this free voucher is a way for their parent to get in free as well.

Budget:

- Street Team Staffing-- \$80/event X 20 events= \$1,600
- Touch car-- \$200/trip X 20 trips= \$4,000
- Giveaway items-- \$20,000
- Appearance fees-- \$200/trip X 20 trips= \$4,000
- Ticket vouchers-- 20,000 vouchers= \$1,500

CREATE APP:

Purpose: To keep up-to-date with today's growing technology, the IMS hopes to create an interactive app that both parents and kids can access with games, information, and "app-tivities" related to the IMS.

Details: The Indianapolis Motor Speedway already has an existing app, so this would just need to be expanded on and further developed by the IMS's Creative and Social Media teams in order to be more relatable to kids and family. This app will be free for fans to access, and the Kids Website that the IMS already has will hopefully be incorporated into the app as well. The app could include a scavenger hunt with all of the different Instagram spots for kids to receive an IMS Kids Club branded T-shirt after completion. The app could also include racing games, YouTube videos that are both educational and interactive, and photo ops where kids can place their own photo in front of the pagoda or kissing the bricks. Kids would also be able to download the lyrics and record their voices singing along to the IMS's traditional songs such as "Back Home Again in Indiana." For parents, the app could include a "How-to" guide on where to find the family friendly areas, what activities to have their kids do at the track, what areas to avoid, etc.

Budget:

- Further Development of App-- \$10,000

KID CONCERTS:

Purpose: To develop a series of Disney/kid concerts to relate to youth and bring them out to the track. There is plenty of space and the capacity to host events on the track throughout the entire year, so the IMS should consider hosting at least one concert during the summer and one during the off-season.

Details: To make these concerts a success, IMS could strengthen their partnership with Radio Disney and have them schedule one or more of their most popular entertainers for performances at the IMS. This could be a day-long event with meet-n-greets after the concert. The IMS contacts from Radio Disney have already mentioned that they would be on-board with this idea, and if the IMS leverages this partnership with them, the concerts will hopefully be promoted on their stations as well as through local YMCAs, Boys & Girls clubs, schools, etc.

Budget:

- Entertainment-- \$50,000
- Partnership with Disney-- \$5,000
- Collateral-- \$5,000

Estimated Total Budget for all 7-12 YR. activities: \$101,100

13-18 YR.--“Teens Racing Towards Their Futures”

Overarching Strategic Position: To have an IMS presence at the memorable High School “yearbook moments.” The students will now associate the IMS with all of the fun and memorable times they had in High School.

Initial Ideas:

13-18 YR (High School)	<ul style="list-style-type: none">• Student Ambassador program• Scholarship• PR Tour- Send drivers to schools for appearances, convocations, & events• STEM
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Ideas Developed:

HIGH SCHOOL PHOTO OPPS:

Purpose: For teenage students to associate the IMS with the memorable events that they attend in High School (such as basketball games, Homecoming, and Prom).

Details: The IMS will provide driver appearances and interaction at High School basketball games. At the beginning of October, the IMS will send a letter out to the schools informing them about the program, follow up in November, and begin scheduling the appearances shortly after. The IMS Street Team will go out to the basketball games beginning in late November, and the IMS appearances will incorporate driver appearances, the TagKast (a camera that allows social photo sharing), and a T-shirt cannon. For High School Homecomings, IMS will send out a letter in late August, follow up and begin scheduling in the middle of September before Homecoming season starts in late September. At Homecoming appearances, the IMS will provide a pace car for the parades/games to deliver the game ball, to use as a photo opportunity with the TagKast, and to drive the winning queen and king around in. IMS should also have a presence at High School proms. At the beginning of December the IMS will send a letter out to the local prom committees, follow up in the middle of January and begin scheduling, and prom season will start in April. For the High School prom appearances, the Street Team will use the TagKast to photograph students in front of the pace car. Finally, most high schools have a “Senior Day” or a “Senior Skip Day” towards the end of the school year that would coincide with the Indy 500 promotional schedule. The IMS should work with the area high schools to sponsor a “Senior Day” at the track with activities, driver appearances, and other fun elements that would excite high school seniors and expose them to the IMS facility.

Budget:

- Street Team Staffing-- \$80/event X 20 events= \$1,600
- T-Shirt Cannon-- \$600

- T-Shirts-- \$1,000
- Driver Appearances-- \$200 per trip X 20 trips= \$4,000
- Fuel for Car-- \$400

SCHOLARSHIPS:

Purpose: To develop an “Indianapolis Motor Speedway Scholarship” for high school seniors in order to gain respect for the IMS and encourage academic achievement in young students.

Details: The IMS will award (5) \$5,000 scholarships to Indiana High School students. The scholarships could be industry/university specific (ex. must go to Purdue for engineering) or they could simply be based on grades and achievements. In September, letters will be sent out to the High School administrative or counseling offices to inform them about the scholarships. There will be a link to apply online on the IMS website. To further promote this scholarship program, the IMS will publicize through the newspapers and news stations as well. The deadline for applications to the scholarship will be in March, and the winners will be announced in May. The IMS could then invite the scholarship winners to attend the race, meet some of the drivers, and get recognized for their accomplishments. See Appendix 2 for unique examples of other companies that have developed scholarships similar to this.

Budget: (5) \$5,000 scholarships for a total of \$25,000

Estimated Total Budget for all 13-18 YR. activities: \$32,600

19-34 YR.-- “Raging Race Fans”

Overarching Strategic Position: Creating community environments for young adults. The IMS is giving these young professionals an opportunity to “Socialize at the Speedway.” There is no need to reinvent the wheel; it is common knowledge as to what entertains this age group and the types of experiences they enjoy. The IMS is taking a concept that is already established and expanding on this by giving young adults the experience they already love and adding the IMS’s own unique twist to it.

Initial Ideas:

19-34 YR (College & Young Professionals)	<ul style="list-style-type: none">• Develop a “club” experience• Networking Events/Job Fair (Engineers/Sports)• Additional (non-racing) events on the track and at different locations• College Ambassador
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Ideas Developed:

PARTY DECK:

Purpose: To create a social gathering hub for patrons who are 21+. This outdoor “Pub-like” environment is meant to deliver a comfortable and familiar experience to the crowd that has outgrown the Snake Pit and wants to hang out in a classier, more grown-up setting. The new party deck is still a social and entertaining area, but is not as overly crazy as the Snake Pit.

Details: A raised deck should be created on the outside of the track. The recommendation is to build this above the H Stand by adding a roof to cover the stands and building the deck on top of this. Other options are building the deck in Turn 4 either in the area in between North Vista and North East Vista or in the area along the backstretch by the North East Vista. The décor will be classy but simple with bar stools, regular seats, and tables. In order to give the new experience credibility, IMS will need to partner with a business such as Buffalo Wild Wings, Harry & Izzy’s, or Scotty’s Brewhouse. Reputable establishments are necessary to easily relate the experience that IMS is trying to create based on the experiences that our target customer enjoys day-to-day. Fans would be given a loaded wristband at approximately \$65 which includes access into the deck. Customers will be able to purchase other drinks from the large variety of local brewers to further connect the experience to local emerging establishments. In addition to creating a familiar experience, it will be important for the party deck to have promotional hooks, such as a bottomless mug for a price to be determined. Other perks for being on the party deck are the large TVs, good music and sound system, shaded and air-conditioned areas, and restrooms. At purchase, fans will also have the opportunity to add a reserved seat ticket to their package for a discounted price of \$40. See Appendix 3 for other party decks similar to this idea.

Budget: Creating the structure of the deck itself would be a large capital expense of \$50,000+. Expenses will also include the bar stools, seats, tables, TVs, sound system, air conditioning, and restrooms. However, because of a partnership with a restaurant/bar like Buffalo Wild Wings, the IMS would be getting the revenue from the extra food and drinks purchased in return for the free space and advertising that they are receiving.

NETWORKING EVENTS

Purpose: Hold a series of networking events throughout the year that are geared specifically towards young professionals. It is an opportunity for them to talk to professionals in the racing industry and other fields, learn about opportunities, and grow their network of professional peers. These networking events give young professionals a chance to gather and to socialize with each other and learn from the best, all while being exposed to the IMS track/facility. By developing this demographic of young professionals who love to learn and will potentially have successful careers, the IMS is investing in future ticket holders and suite owners.

Details: The IMS should host five different networking events throughout the year with topics that are related and connected somehow to racing-- Engineering, Technology, Philanthropy, City Civic, Sports Industry, etc. Professionals could also be invited to speak on general topics such as leadership,

networking, goal setting, and personal branding. The IMS could host one event during each of the following months: January, March, June, September, and November. These events could either be breakfasts, luncheons, or cocktail parties and could be held at various race shops or at the IMS Pagoda. An extra perk would be to include appearances from drivers and other professional athletes. The cost is \$25 per person per event. Food and beverages would be provided, and as an extra incentive all participants would be offered free giveaways or a discounted access into the Party Deck. See Appendix 4 for other networking events similar to this.

How to Market: Partner with Indy Hub to get it on their calendar of events and to help the IMS promote the program. Target college business fraternities, honorary societies, and sports teams and personally invite members to participate in the networking events.

Budget:

- Guest Speakers-- \$200 per event X 5 events= \$1,000
- Invitations-- \$1,500
- Food & Beverage-- \$20/person X 1,500 people= \$30,000
- Decorations-- \$500/event X 5 events= \$2,500

COLLEGE AMBASSADOR

Purpose: The IMS should have a student presence on all of the main Indiana campuses to be “the face of the IMS,” pass out collateral, and promote the races and the Snake Pit in various ways.

Details: First, someone needs to be appointed to take charge of this program, draft a job description with duties and pay (\$1000 stipend for each ambassador), and decide when to launch this program. This will be an extension to the Street Team program that the IMS already has established-- the Ambassadors will have more responsibility on their own campuses and will be a part of the IMS team for a larger portion of the year rather than just towards the end of the school year and the summer. All state-wide universities should eventually have an IMS Ambassador on campus, but the main focus initially should be finding Ambassadors from the larger and more well-known universities such as Purdue, IU, Ball State, University of Indianapolis, IUPUI, Butler, Notre Dame, and other campuses that may be worthwhile. All Ambassadors will be given collateral. They will distribute it and show the IMS proof that they have been making an impact on campus, host events, and connect the IMS to networks around campus that they can use to promote the Snake Pit and the races in general.

How to Market: The IMS needs to get connected on the campuses from the very beginning of the school year. A good opportunity to get the word out about the Student Ambassador program would be setting up a booth at the activity/career fairs. The IMS can also utilize the university sport groups, student athlete boards, and various business fraternities to connect with students who may be a good fit for the job. A Student Ambassador from each school should be selected before the beginning of the second semester, so that they have the rest of the school year to create a buzz around their campuses about the IMS, the Snake Pit, and the races in general.

Budget:

- \$1000/Ambassador X 10 Ambassadors-- \$10,000
- Collateral/Giveaways-- \$10,000

PARTNER WITH COLLEGE GREEK LIFE

Purpose: The IMS should connect more with the college campuses by getting involved with the fraternities and sororities. Greek students are debatably the most influential demographic of the college market. They are trend setters, well connected, the influential leaders in their campus organizations, always looking for the “next big thing,” and they typically have the highest disposable income in comparison to other college students. Therefore, by reaching out to the campus Greek life, the IMS is reaching a group of people that could turn into potential fans and customers and set a trend for the rest of their peers to do so as well. According to a study from Indiana University published in early 2012, roughly 50% of Indiana college graduates will stay in the state after they graduate. “Indiana’s overall retention rate” has improved since the early 2000’s and is currently at about 60%, which means that there is a good chance that the influential leaders on campus will stay in the state after graduation, with the possibility of becoming future IMS race fans and ticket holders (Skirvin 2012).

Details: The IMS should continue to promote on college campuses by targeting Greek students specifically and marketing the Indy 500 and the Snake Pit as a fun way to party and tailgate with friends. Also, fraternities and sororities have many social gatherings throughout the year and are always looking for new and unique places to host their activities, so what better place than the IMS? The IMS should allow fraternities and sororities to host their formals or dances on the Speedway grounds. Most would pay to rent out the space, so the IMS would not be losing out on any money-- only gaining exposure. In return, these fraternities and sororities would have a memorable and unique experience at the track, and the IMS could even host a “Greek Day” during one of the practice or qualification days to expand further on this experience for Greek students. Greek students would make great ambassadors for the IMS and would likely influence other students on their campuses about the fun experiences they had at the track.

Budget: There should not be any added costs to the budget for this initiative. The collateral that would be used to reach out to the fraternities and sororities is already included in the above Snake Pit Ambassador collateral. The costs for hosting a formal on the IMS facility would be very minimal and would be offset by the money that the fraternities and sororities would pay to rent the space.

Estimated Total Budget for all 19-34 YR. activities: \$105,000

RECAP TABLE

STRATEGY	TARGET 4-6 YR	TARGET 7-12 YR	TARGET 13-18 YR	TARGET 19-34 YR	ESTIMATED COST	Create/raise awareness of the IMS	Increase youth engagement	Increase # of new/first time fans	Increase # of families & attendees age 4-34	Increase Kids Club memberships	Increase overall satisfaction w/ experience
Driving Experience	*				\$9,800		*		*	*	*
Remote Control Cars	*				\$5,500		*		*	*	*
Expanded Kids Zone/ Playground	*				\$50,000		*		*	*	*
School Partnerships		*			\$31,100	*		*	*	*	
Create App		*			\$10,000		*				*
Kid Concerts		*			\$60,000	*	*		*	*	*
High School Photo Opps			*		\$7,600	*		*	*		
Scholarships			*		\$25,000	*					
Party Deck				*	\$50,000		*		*		*
Networking Events				*	\$35,000	*		*			
College Ambassadors				*	\$20,000	*		*	*		
Partnerships with Greek Life				*	\$0	*		*	*		
TOTAL BUDGET					\$304,000						

CONCLUSION

The IMS has seen tremendous success and has established an excellent reputation for themselves since their beginning in 1909. With races like the Indy 500, the Brickyard 400, and the MotoGP, the IMS is known for being “an icon of motorsports excellence,” and this success should not go unnoticed. However, they face a problem in demographics amongst their fans, as the majority of their fans are from the older generations, and they will soon be dwindling off. This problem has not necessarily negatively affected the IMS yet, but it is a problem that they cannot ignore, or they will soon see a decline in fans and ticket sales. The IMS needs to be proactive in handling this problem, and to do so, they need to create and develop programs that are going to better attract and engage the younger generation of fans. By implementing this marketing plan that has been created to better captivate and engage the “youth” ages 4-34, the IMS will be taking beneficial steps in achieving the ultimate goal of increasing ticket sales in younger fans and creating longevity for the company.

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APPENDIXES

Appendix 1: Unique Examples related to “Expanded Kids Zone/Playground”

- Adventure Aquarium in Camden, NJ: They have a Kid Zone in their aquarium to appeal to kids ages 6 and under by encouraging them to get hands-on and enjoy interactive activities. “Parents and scientists agree that play is essential to the healthy growth and development of children... In the simplest terms, play helps kids make sense of the world around them.” Keeping this in mind, Adventure Aquarium designed an area just for kids to appeal to their natural curiosity to explore (KidZone 2014).
- Point Defiance Zoo & Aquarium: Their Kids Zone is a “bright colorful environment designed for the way children learn: through touch, exploration, and movement.” They have an area where kids can climb and mimic the way animals move-- when kids pretend to be like the animals and experience what they do, they become more interested in them. Likewise, in the IMS’s case, if kids can pretend to be racecar drivers and interact and explore with more racing activities, they will become more interested in racing (Welcome to Kids’ Zone 2014).



- Cleveland Indians: They have a Kids Clubhouse very similar to the IMS’s current Kid Zone. It is an exclusive play area for kids that provides a safe and fun environment for young fans to experience family-friendly activities throughout the game while adults watch the game. They have a 4,000 square foot indoor playground for age 6 and under with arts and crafts and a climbing wall. They also have a playground for older children with a wiffle ball field, batting cage, and video game area. They bring their mascots out to entertain the kids and also have specific “Kids Fun Days” which is similar to the IMS’s Kids Club (Indians Kids Clubhouse).

Appendix 2: Unique Examples related to “Scholarships”

- Eli Lilly: The Lilly Endowment Community Scholarship Program offers four-year, full-tuition scholarships to Indiana students who intend to work toward a baccalaureate degree at any Indiana university, as well as \$900/year for books and equipment. There is one winner selected from each of Indiana’s 92 counties. The program is designed to raise the level of educational attainment in Indiana and to increase awareness of the potential of Indiana’s community foundations to improve the quality of life of the state’s residents. It is, however, also very beneficial for their company, because it gets Lilly’s name out there and gives them a charitable reputation (Lilly Endowment Community Scholarship Program).

- Coca Cola Scholars Program Scholarship: awarded to 250 high school seniors each year, some will get a \$20,000 scholarship and some will get a \$10,000 scholarship (Coca-Cola Scholars Foundation 2014).

Appendix 3: Unique Examples related to “Party Deck”

There have been several sporting facilities that have attempted a similar strategy to this and have proven to be very successful (Lucas Oil’s Bud Light Zone, Miller Party Deck, Legends Club at Pacers Games, Budweiser Deck at Daytona, Cincinnati Reds Party Deck, etc.).



Appendix 4: Unique Examples related to “Networking Events”

- Indy Hub Career Compass: This is a series of three morning events per year for young professionals to gain professional development in the areas of goal setting, personal branding, and managing professional relationships (Indy Hub Career Compass 2013).
- Indy Hub Passport to the Arts: This is an experience exclusive for young professionals age 21-40. It is a five ticket sampler subscription to various performing arts events in Indy, and members can attend exclusive receptions before each performance night. The purpose of the Passport is to help young professionals explore a variety of performance and visual arts organizations in Indy. This lets them explore the industry in hopes that they will turn into returning customers and fans of the arts in Indy, and the IMS could develop a similar program in hopes of their guests becoming future customers and ticket holders (Indy Hub Passport to the Arts 2013).
- Sports Circle Indy: They host various luncheon events such as “Sports and Media Luncheon” which discusses the rapidly changing landscape of sports and media and “Indianapolis and Sports: Past, Present, and Future.” SCI hosts various networking events, lunch forums, and breakfast meetings that are focused on sports business education, marketing, sponsorship, branding, industry best practices, and cutting edge trends (Sports and Media Luncheon 2013).